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Employment Bulletin

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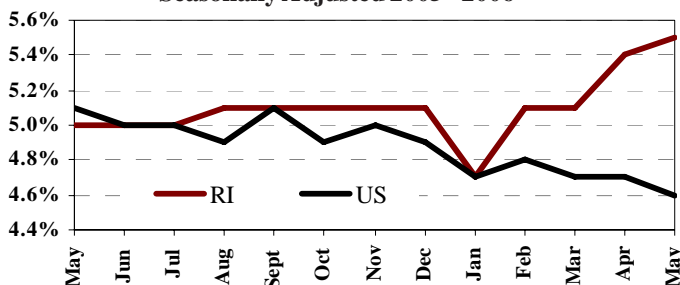
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Rhode Island's Unemployment Rate Shows Little Change in May

Rhode Island's seasonally adjusted unemployment rate for May was 5.5 percent, reflecting a gain of 0.1 of a percentage point from April. The number of unemployed Rhode Island residents increased by 700 over the month to 31,800 in May, while the number of employed residents grew by 600. A year ago, the jobless level was 28,500 and the State's unemployment rate stood at 5.0 percent. Nationally, the unemployment rate for May dipped 0.1 of a percentage point to 4.6 percent, its lowest level since July 2001. Compared to last year, the national jobless rate is down 0.5 of a percentage point. Rhode Island's unemployment rate for May exceeded the national average.

**RI & US Unemployment Rates
Seasonally Adjusted 2005 - 2006**



Rhode Island Employer Handbook

The Employer Handbook explains the rights and responsibilities of employers whose workers are covered by the Rhode Island Employment Security, Temporary Disability Insurance and Workers' Compensation Acts. To download the Employer Handbook, visit www.dlt.ri.gov/lmi/publications/handbook.htm.

New Maximum Weekly Benefit Rates for Unemployed Individuals Announced

New maximum weekly benefit rates of \$492 for Unemployment Insurance, and \$625 for Temporary Disability Insurance, will be in effect for claimants whose Benefit Years begin on or after July 1, 2006, announced Adelita S. Orefice, Director of the Department of Labor and Training.

These new rates reflect an increase of \$15 for Unemployment Insurance (UI) and \$18 for Temporary Disability Insurance (TDI). The previous maximum rates were \$477 for UI and \$607

for TDI. Individuals who established claims prior to July 1, 2006 will continue to be paid at their present rate for the duration of their Benefit Year. A Benefit Year is the 52-week period that starts once a new claim is filed.

The maximum rate for Unemployment Insurance benefits is set at 67 percent of the average weekly wage of workers covered by the Employment Security Act. The average weekly wage paid to workers covered by the Employment Security Act in calendar year 2005 was \$734.46. Sixty-seven percent of that average weekly wage is \$492.09. After rounding down to the next lower dollar amount, the new maximum for Unemployment Insurance will be \$492.

The maximum weekly benefit rate for Temporary Disability Insurance is set at 85 percent of the average weekly wage paid to workers covered by the Employment Security Act. Accordingly, the new maximum for Temporary Disability Insurance is \$625 (85 percent of \$734.46 rounded to the next highest dollar amount).

Maximum Benefit Rates 2006

UI - \$492
TDI - \$625

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	May 06	Apr 06	May 05	May 06	Apr 06	May 05
Civilian Labor Force	579.7	578.4	569.2	150,991	150,811	149,201
Resident Employment	547.9	547.3	540.7	143,976	143,688	141,571
Unemployment	31.8	31.1	28.5	7,015	7,123	7,629
Unemployment Rate	5.5%	5.4%	5.0%	4.6%	4.7%	5.1%

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401-462-8740 or email
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The Job Count Declines in May

Employment at Rhode Island businesses decreased by 1,500 (-0.3%) in May, bringing the May job count to 493,700 (seasonally adjusted). Over-the-month employment losses were reflected in Trade, Transportation & Utilities (-500), Government (-500), Educational & Health Services (-200), Manufacturing (-100), Financial Activities (-100), and Other Services (-100). A monthly gain of 100 jobs was noted in Construction. Professional & Business Services and Leisure & Hospitality showed no change over the month.

“It is not unusual to see the job count fluctuate from month to month. Even though we saw a drop in the job count for May, the overall trend since the beginning of the year remains positive,” said DLT Director Adelita S. Orefice. “We have added 500 jobs since March and 2,900 since January.”

The decrease of 500 jobs in the Trade, Transportation & Utilities sector is mainly due to a decline in the Transportation & Warehousing segment. Government experienced a monthly decrease of 500 workers, reflecting reduced employment in Local Education, along with the lack of growth in Federal and State government. Educational & Health Services declined by 200 jobs due to the departure of student workers from colleges and universities at the end of the semester.

Over the year, total employment was up 4,000 (+0.8%) from the 489,700 jobs reported in May 2005. Annual employment growth occurred in the Professional & Business Services (+1,800), Financial Activities (+1,400), Educational & Health Services (+1,400), Construction (+1,300), Trade, Transportation & Utilities (+300), and Leisure & Hospitality (+300) sectors, offsetting over-the-year losses in Manufacturing (-2,100), Other Services (-700), and Government (-300).

Hours and Earnings

In May 2006, the \$13.42 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly loss of nine cents per hour and an over-the-year gain of forty-two cents per hour. Manufacturing employees worked an average of 39.0 hours per week in May, up 1.5 hours over the month and 0.3 of an hour since May 2005.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	May 06	Apr 06	
Total Nonfarm	493.7	495.2	-1.5
Construction	23.2	23.1	0.1
Manufacturing	53.3	53.4	-0.1
Trade, Transportation & Utilities	80.5	81.0	-0.5
Financial Activities	35.8	35.9	-0.1
Professional & Business Services	56.6	56.6	0.0
Educational & Health Services	96.1	96.3	-0.2
Leisure and Hospitality	50.1	50.1	0.0
Other Services	22.6	22.7	-0.1
Government	64.6	65.1	-0.5

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From:			Weekly Hours			Hourly Earnings		
	May 06	Apr 06	May 05	Apr 06	May 05	May 06	Apr 06	May 05	May 06	Apr 06	May 05
Manufacturing	53.5	53.5	55.5	0	-2000	39.0	37.5	38.7	13.42	13.51	13.00
Durable Goods	35.7	35.7	36.4	0	-700	38.8	37.4	39.0	13.43	13.55	12.90
Fabricated Metal Product Mfg.	7.6	7.6	7.7	0	-100	41.5	39.9	40.1	11.70	11.82	11.70
Computer & Electronic Product Mfg.	4.7	4.7	4.7	0	0	40.9	39.5	38.4	14.47	14.35	13.98
Miscellaneous Manufacturing	9.7	9.9	10.5	-200	-800	37.1	37.0	37.7	11.28	11.17	10.89
Jewelry and Silverware	6.6	6.8	7.5	-200	-900	38.4	37.4	36.8	10.44	10.39	10.27
Non-Durable Goods	17.8	17.8	19.1	0	-1300	39.5	37.8	38.1	13.40	13.45	13.19
Chemical Manufacturing	4.1	4.2	4.3	-100	-200	42.9	41.5	39.5	15.35	15.50	15.47
Plastics & Rubber Products Mfg.	2.8	2.7	2.9	100	-100	42.1	40.0	40.2	14.51	14.50	14.70

The employment figures in this section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Not seasonally adjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm.

Current month’s figures are preliminary and subject to change.

Characteristics of the Insured Unemployed

In May 2006, approximately 35 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance benefits. Numbering 10,395 people, these "insured unemployed" accounted for 1.9 percent of the state's total employed (unadjusted). Nearly 35 percent (3,603) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Just over 27 percent (2,826) of the people receiving Unemployment Insurance benefits were between the ages of 35 and 44, while an additional 25 percent (2,554) were 45 to 54 years old. Concentrations of long-term unemployment were highest among workers over 60 years of age, due, in part, to the difficulties workers face in finding new jobs as they grow older. For example, more than 43 percent of all insured unemployed workers 60 years and older had been collecting benefits for at least fourteen weeks, whereas 26 percent of those under 22 years of age and 28 percent of 22 to 24 year olds were considered long-term unemployed.

In May, approximately 45 percent (4,725) of those collecting Unemployment Insurance benefits had just a high school diploma. An additional 1,821 people (17.5%) had less than a high school diploma, while 15.1 percent (1,572) of the insured unemployed had at least a bachelor's degree. Roughly 33 percent of insured unemployed workers with at least a Bachelor's degree had been collecting benefits for a minimum of fourteen weeks, while 35 percent of those with less than a high school diploma were also considered long-term unemployed.

On an industry basis, more than 19 percent (1,989) of the state's insured unemployed workers came from the Manufacturing sector. There were also 1,403 individuals with an attachment to the Construction sector, accounting for 13.5 percent of all insured unemployed workers. An additional 10 percent (1,078) of those collecting Unemployment Insurance benefits in May had worked in the Retail Trade sector. Large numbers of insured unemployed were also reported in Administrative & Waste Services (980), Health Care & Social Assistance (876) and Finance & Insurance (667).

Those previously employed in Office & Administrative Support occupations accounted for 17.7 percent (1,838) of the state's insured unemployed. A large number of workers previously employed in Production (1,597), Transportation & Material Moving (744) and Construction & Extraction (699) occupations also collected Unemployment Insurance benefits in May. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Building & Grounds Cleaning & Maintenance (54.9%), Education, Training & Library (41.9%), Food Preparation & Serving Related (41.6%) and Production (38.6%).

Characteristics of the Insured Unemployed, May 2006

	Total	Long-Term	Percent Long-Term
Total	10,395	3,603	34.7%
Male	5,511	1,920	34.8%
Female	4,884	1,683	34.5%
Age	10,395	3,603	34.7%
Under 22	299	79	26.4%
22 - 24	567	159	28.0%
25 - 34	2,112	714	33.8%
35 - 44	2,826	1,000	35.4%
45 - 54	2,554	839	32.9%
55 - 59	954	343	36.0%
60 - 64	605	230	38.0%
65 or over	478	239	50.0%
Education	10,395	3,603	34.7%
Less than 9th Grade	587	196	33.4%
9th to 12th, no diploma	1,234	446	36.1%
High School Graduate	4,725	1,672	35.4%
Some College	1,957	647	33.1%
Bachelor's Degree	965	323	33.5%
Beyond Bachelor's	607	201	33.1%
Selected Industries	10,395	3,603	34.7%
Construction	1,403	425	30.3%
Manufacturing	1,989	723	36.3%
Wholesale Trade	413	106	25.7%
Retail Trade	1,078	353	32.7%
Transportation & Warehousing	240	84	35.0%
Information	284	132	46.5%
Finance & Insurance	667	215	32.2%
Real Estate	208	71	34.1%
Professional & Tech. Services	439	131	29.8%
Administrative & Waste Services	980	345	35.2%
Educational Services	173	67	38.7%
Health Care & Social Assistance	876	300	34.2%
Arts, Entertainment & Recreation	166	76	45.8%
Accommodation & Food Services	644	281	43.6%
Other Services	400	134	33.5%
Public Administration	68	29	42.6%
Selected Occupations	10,395	3,603	34.7%
Business & Financial Operations	442	115	26.0%
Computer & Mathematical	120	41	34.2%
Architecture & Engineering	108	36	33.3%
Life, Physical & Social Science	43	15	34.9%
Community & Social Services	87	24	27.6%
Legal	61	16	26.2%
Education, Training & Library	117	49	41.9%
Arts, Design, Ent., Sports & Media	164	41	25.0%
Healthcare Practitioner & Technical	149	47	31.5%
Healthcare Support	221	81	36.7%
Protective Service	104	37	35.6%
Food Preparation & Serving Related	457	190	41.6%
Bldg. & Grounds Cleaning & Maint.	235	129	54.9%
Personal Care & Service	107	30	28.0%
Sales & Related	652	205	31.4%
Office & Administrative Support	1,838	620	33.7%
Construction & Extraction	699	220	31.5%
Installation, Maintenance & Repair	417	159	38.1%
Production	1,597	616	38.6%
Transportation & Material Moving	744	266	35.8%

Consumer Price Index for All Urban Consumers

	% Change		
	May 06	Apr 06	May 05
	Prev. Year		
All Items	202.5	201.5	194.4
			4.2%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

2005 Annual Average Wages

Rhode Island's private sector workers earned an annual average wage of \$37,064 in 2005, an increase of \$1,105 (3.1%) from the \$35,959 earned in 2004. Annual average wage gains were reported in nearly all economic sectors with the largest occurring in the Management of Companies & Enterprises (7.9%), Administrative & Waste Services (5.3%) and Wholesale Trade (5.3%) sectors. Only two sectors, Agriculture, Forestry, Fishing & Hunting (-6.4%) and Mining (-2.9%) reported decreases in the annual average wages paid to their workers.

The highest annual average wages were paid in Management of Companies & Enterprises (\$84,573) and Utilities (\$66,439) followed by the Information (\$61,433), Finance & Insurance (\$56,611) and Professional & Technical Services (\$54,734) sectors. In all, ten sectors paid wages above the private sector annual average wage of \$37,064.

The lowest annual average wages were reported in the Accommodation & Food Services (\$14,729) and Arts, Entertainment & Recreation (\$21,062) sectors, reflecting the seasonal and part-time nature of these businesses. Other industrial sectors paying lower-than-average wages included Other Services (\$24,188), Retail Trade (\$24,904) and Administrative & Waste Services (\$25,428).

For more information concerning industry wages, visit the Quarterly Census of Employment and Wages site at:

www.dlt.ri.gov/lmi/es202.htm

City & Town Unadjusted Unemployment Rates for May

	2006	2005		2006	2005
Barrington	3.9	3.0	Newport	4.6	3.9
Bristol	4.1	3.4	North Kingstown	4.2	3.9
Burrillville	4.9	4.4	North Providence	5.1	4.5
Central Falls	7.5	6.8	North Smithfield	4.5	3.7
Charlestown	4.7	3.4	Pawtucket	6.6	5.5
Coventry	4.6	3.8	Portsmouth	3.8	3.5
Cranston	5.6	4.7	Providence	6.8	5.7
Cumberland	4.5	3.8	Richmond	3.8	2.2
East Greenwich	4.3	3.7	Scituate	4.7	4.0
East Providence	5.4	4.7	Smithfield	4.5	3.7
Exeter	4.0	4.0	South Kingstown	4.0	3.3
Foster	5.2	4.0	Tiverton	4.5	4.2
Glocester	3.9	3.2	Warren	4.7	3.6
Hopkinton	4.2	3.6	Warwick	5.1	4.1
Jamestown	3.6	3.3	West Greenwich	3.9	3.3
Johnston	5.5	4.8	West Warwick	5.5	4.9
Lincoln	4.4	3.9	Westerly	4.4	3.7
Little Compton	3.9	3.4	Woonsocket	5.6	5.0
Middletown	4.4	3.4			
Narragansett	3.4	2.7	State of R.I.	5.2	4.4
New Shoreham	6.0	6.3	United States	4.4	4.9

Occupational Employment Statistics

Wage statistics are available for over 500 occupations Rhode Island statewide; by New England City and Town Area (NECTA); and by selected industries. For additional industry information, please call the Occupational Employment Statistics (OES) staff at 401-462-8750.

We wish to express our appreciation to all of the employers who responded to the OES Survey. Their support enables the Department of Labor and Training to continue with its mission to provide valuable occupation and wage information. Without them this information would not be possible.

Updated occupational employment statistics are now available on the LMI website at:

www.dlt.ri.gov/lmi/oes.htm

Unemployment Insurance Claims Activity

	May	Apr	May	% Change		Year to Date		
	2006	2006	2005	Apr 06	May 05	2006	2005	% Change
Initial Claims	4,845	6,086	4,402	-20.4%	10.1%	33,056	34,092	-3.0%
Number of Payments	45,256	46,506	46,904	-2.7%	-3.5%	285,306	303,275	-5.9%
Amount of Payments (gross millions)	\$15.2	\$15.5	\$15.4	-1.9%	-1.3%	\$96.3	\$100.5	-4.2%
Exhaustions (Final Payments)	1,335	1,284	1,510	4.0%	-11.6%	6,505	7,163	-9.2%

R.I. DEPARTMENT OF LABOR AND TRAINING
2006 UI AND TDI QUICK REFERENCE
(Effective July 1, 2006)

	UNEMPLOYMENT INSURANCE	TEMPORARY DISABILITY INSURANCE
TAXABLE WAGE BASE	\$16,000	\$50,600
TAX SCHEDULES/TAX RATES Employment Security Job Development Assessment (JDA)	Schedule I: 1.90% to 10.0% 1.69% to 9.79% 0.21%	1.4% Deducted from Employee's Wages
NEW EMPLOYER RATE	2.34% (+0.21%JDA)	NONE (Employee Tax)
EMPLOYEE WAGE DEDUCTION	NONE (employer payroll tax)	1.4% of first \$50,600 earned
WAITING PERIOD	7 days	7 days (paid retroactively if customer out for 28 consecutive days or more)
BASE PERIOD	The first four of the last five completed calendar quarters prior to claim; or last 4 completed quarters if needed to meet minimum earnings requirement.	
ELIGIBILITY - MONETARY Based on a Minimum Wage of \$7.10/hour.	\$8,520 in base period wages; or \$1,420 in one of the base period quarters and total base period wages of at least 1.5 times the highest quarter earnings, and total base period earnings of at least \$2,840.	
ELIGIBILITY - NONMONETARY	Worked for a subject employer and unemployed through no fault.	Worked for a subject employer and have medically certified disability.
WEEKLY BENEFIT RATE	4.62% of total high quarter wages in base period.	
MIN. WEEKLY BENEFIT AMOUNT	\$65 per week	\$66 per week
MAX. WEEKLY BENEFIT AMOUNT	\$492 per week	\$625 per week
DEPENDENT'S ALLOWANCE	Greater of \$10 or 5% of weekly benefit rate (up to 5 deps.)	Greater of \$10 or 7% of weekly benefit rate (up to 5 deps.)
MAX. WEEKLY BENEFIT AMOUNT WITH MAX. 5 DEPENDENTS	\$615 per week	\$843 per week
MAXIMUM DURATION	26 weeks	30 weeks
REASONS FOR DENIAL OF BENEFITS	Quit without good cause; fired for misconduct; refusal of suitable work; labor dispute (except lock-out); insufficient earnings in base period.	No medical certification; insufficient earnings in the base period. Receipt of unemployment or workers' compensation benefits.
BENEFIT APPLICATIONS	Call (401) 243-9100 to file.	Call (401) 462-8420 for application
MINIMUM WAGE	\$7.10 per hour effective March 1, 2006	